File
Plaza

MEMORANDUM

November 2, 1999

TO: JOE GEREK / JACK NAPOR

FROM: ERIC PARKINSON

RE: PLAZA CATALOG / CESSATION OF ARKANSAS SHIPMENTS

Gentlemen --

In order to streamline Plaza's screwed-up A.R. matters further, I'd like to CEASE utilizing our warehouse in Arkansas to fulfill CATALOG orders *(as you know, all NEW release orders have been originating from WRS Pittsburgh... however, a small quantity of catalog orders -- filled primarily with RETURNED Product -- have been shipping from Plaza Arkansas... potentially complicating our INVOICING and order tracking procedures).*

There are a couple of recent shipments that need invoicing, and I'll have Tom Schon here in our L.A. office communicate these to Joe Shields.

Within the next two weeks, Plaza ARK will fulfill the balance of barter-tapes due to Tradewell in order for Plaza to obtain the advertising credits that we will be utilizing for operating overhead. Once this is completed, and presuming that WRS agrees with the plan to fulfill ALL Plaza orders *(as opposed to simply NEW release orders),* then we can make arrangements to have any remaining inventory in Arkansas shipped back to WRS, or sent to another storage facility.

Let me know your thoughts.

Thanks -- ERIC

Eric

EXHIBIT 2

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